



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 19, 1999

Ms. Peggy McCormick, Esquire
5624 Bent Branch Road
Bethesda, MD 20816

RE: MUR 4801

Nevade State Council of Senior Citizens and Scott Watts, President

Dear Ms. McCormick:

On September 3, 1998, the Federal Election Commission notified your clients of a complaint alleging certain violations of the Federal Election Campaign Act of 1971, as amended. A copy of the complaint was enclosed with that notification.

After considering the circumstances of this matter, the Commission has determined to exercise its prosecutorial discretion and to take no action against your clients. See attached narrative. Accordingly, the Commission closed its file in this matter on May 19, 1999.

The confidentiality provisions of 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record prior to receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact Jennifer H. Boyt on our toll-free telephone number, (800) 424-9530. Our local telephone number is (202) 694-1650.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Andrew Turley".

F. Andrew Turley
Supervisory Attorney
Central Enforcement Docket

Attachment
Narrative

MUR 4801
REID FOR SENATE

Jonathan Levenson, president of Clark County's chapter of the National Council of Senior Citizens ("NCSC"), alleges that David Cherry, Sen. Harry Reid's Deputy Press Secretary, called him to suggest that he attend a Nevada State Council of Senior Citizens' ("NVSCSC") press conference the following day. Mr. Levenson states he was previously unaware of a press conference, but that after Cherry's call he received a fax about it from Scott Watts, president of NVSCSC. Levenson states that part of the fax came from one of Sen. Reid's offices. Mr. Levenson further contends that Mr. Cherry had asked its members to sign pre-written letters to the editor. In a related contention, Mr. Levenson states that Gerry Reed, one of Sen. Reid's staffers, made an "improper presentation of a political nature" at a Jewish War Veteran's (JWV) general meeting. Sen. Reid narrowly won Nevada's 1998 General election with 48% of the vote to John Ensign's 48%.

Harry Reid, David Cherry and Gerald Reed respond jointly. They deny that NCSC or JWV made any contribution to the campaign, or that any was received. They further deny that any express advocacy for the election or defeat of any candidate occurred as the result of these activities. The respondents assert that Mr. Reed appeared before JWV in his official capacity as the Senator's aide without reference to the Senator as a candidate for reelection. The response further discloses that Mr. Cherry spoke with Mr. Watts to request that NVSCSC publicize an NCSC *Seniority* magazine article about politicians' voting records on senior citizens' issues. Mr. Cherry also assisted Mr. Watts with setting up two press conferences and drafting three press releases that were faxed to the media and distributed at the event. Part of this assistance involved calls by Cherry to three or four members of NVSCSC, including the complainant, about the press conference.

Jewish War Veterans of the U.S.A. ("JWVUSA") responds that, in June 1998, NCSC awarded Sen. Reid "hero" status for his votes on seniors' issues and distributed a press release which JWV published in the July newsletter. JWV states it did not take any position on, endorse or recommend any candidates. JWV asserts that the complainant did not approve of NCSC's position and wrote a letter to JWV opposing it; JWV reproduced the complainant's letter in its August Bulletin.

NVSCSC and Scott Watts respond that the NVSCSC sponsored an event to discuss the views of Nevada's representatives on senior citizens' issues based on voting records and an article prepared by the NCSC for its *Seniority* magazine without any contact or discussion with federal candidates or candidate representatives. These respondents confirm that Mr. Cherry assisted Mr. Watts with setting up two press conferences and drafting three press releases that were faxed to the media and distributed at the event, and that he called three or four members of NVSCSC, including the complainant, about the press conferences. It denies that it made any contribution whatsoever to the Reid campaign, either through its communications or by holding the press conferences.

This matter is less significant relative to other matters pending before the Commission.